



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.  
20250

FmHA AN No. 1432 (1945)

June 25, 1986

SUBJECT: Establishing Commodity Prices Used for  
Calculating Values of Production Losses  
for EM Loan Applicants

TO: All State Directors, State Directors-at-Large,  
and Chiefs, Farmer Programs, FmHA

PURPOSE/INTENDED OUTCOME

The purpose of this Administrative Notice (AN) is to further instruct FmHA personnel on how agricultural commodity prices are to be established for use in calculating values of production losses for emergency (EM) loan applicants as prescribed in FmHA Instruction 1945-D, Section 1945.163(a)(2)(iii).

COMPARISON WITH PREVIOUS AN

No previous AN issued on this subject.

IMPLEMENTATION RESPONSIBILITIES

The USDA National Agricultural Statistics Service (NASS), formerly the Statistical Reporting Service (SRS), does not collect and is therefore unable to provide us with average monthly market prices for all agricultural commodities for all States. For those States where this situation exists, it is still incumbent upon State Directors to establish prices for all commodities produced commercially in their respective State(s) and issue an annual State Supplement listing those commodities and prices by February 15 of each year. The NASS monthly report, "Agricultural Prices," lists by State monthly average prices for only major commodities produced in each State. That report is available within 3 working days after the end of the month being reported, i.e., the December average prices are available the first week in January and January average prices would be available the first week in February.

In addition to the sources of information described in paragraph (iii), Section 1945.163(a)(2) of FmHA Instruction 1945-D, suggested to be consulted before establishing monthly average commodity prices for those commodities not reported monthly by NASS, we refer you to NASS publication "Crop Values Summary," issued annually by February 1 of the year following the year being reported. That publication lists, by individual States and the United States, season (weighted) average commodity prices for all crops of significance produced in the previous 3 years. Those season average prices should be used as a guide only when establishing prices for those commodities not reported monthly for any particular State by the NASS in its monthly average price report, "Agricultural Prices." Each State office and the Emergency Division in the National Office will receive copies of those two NASS reports from the National Office.

EXPIRATION DATE:  
June 30, 1987

FILING INSTRUCTIONS: Preceding  
FmHA Instruction 1945-D

1432(1945)

FmHA Instruction 1945-D, Section 1945.163(a)(2)(iii) is being revised to incorporate these clarifications and directions. Those revisions will be implemented in ample time for your use in preparing your commodity price lists for February 1987. In the meantime, you will be receiving copies of the two NASS reports from the National Office which are to be retained and used for reference each year when you establish your annual commodity price lists.



VANCE L. CLARK  
Administrator